



ALASKA AIRLINES FARE AGREEMENT MANDATORY FOR EXECUTIVE BRANCH AGENCIES

The Division of General Services established the Alaska Airlines Government Fare Agreement in an effort to reduce travel costs associated with governmental operations.

One of the critical components to the success of this agreement is the State's compliance with the market share requirements established in the agreement. Market share requirements are reviewed on a quarterly basis by the Alaska Air Group. If the State fails to meet the requirements, the negotiated discount is reduced by 1 percentage point for the next quarter. A reduction of just 1% costs the State approximately \$75,000.00 each quarter in lost savings.

One of the keys to the market share measurement is to ensure the State accurately and consistently documents the reason a traveler is not utilizing Alaska Airlines. Each itinerary will be documented and a non-compliance notification will be sent to the Department Travel Coordinator for further action. The fare agreement provides the following four reasons for **NOT** choosing Alaska Airlines.

1. **The Alaska Airlines schedule would force an overnight stay:** AAM 60.040 states that travel should take place between 7:00am and 10:00pm. If the only Alaska Airlines flight in the morning is before 7:00am, or if the last Alaska Airlines flight does not arrive at the destination until after 10pm, this reason to not use Alaska Airlines would be valid.
2. **Alaska Airlines flight is sold out or cancelled:** While this is a valid reason, it is impossible for the travel office to verify the flight was sold out. However, Alaska Airlines does have detailed flight records. If this reason is chosen, the travel arranger should maintain **documentation** such as a screen print that verifies the flight is full. The documentation protects the State in the verification process for market share compliance.
3. **There is a cheaper price by at least \$35.00 one-way or at least \$70.00 for a roundtrip ticket:** Make sure that you accurately compare the fare prices. One of the most common mistakes is comparing the lowest fare on one carrier to the highest fare on Alaska Airlines. Please be aware that all fare exceptions are fully researched. While difficult for the travel office to verify, Alaska Airlines does have detailed flight records. If this reason is chosen, the travel arranger should maintain **documentation** such as a screen print that verifies the flight is cheaper by at least \$35.00 one-way or at least \$70.00 roundtrip. The documentation protects the State in the verification process for market share compliance.
4. **Emergency travel within 4 hours:** AAM 60.020 states that emergency travel is defined as an unforeseen set of circumstances that calls for immediate action. Travel that needs to commence immediately within 4 hours may be booked on another carrier for the outbound portion of your trip, if it is the first available carrier within the appropriate timeframe.
5. **Non-Compliant:** While this is not a valid reason, there may be times when the above exceptions do not apply. By selecting this reason, the travel arranger acknowledges they are non-compliant with this fare agreement and will receive a non-compliance notification from the E-Travel Management Team.

Codeshare flights play an important part in determining the reason code for choosing a carrier other than Alaska Airlines. The following are some frequently asked questions about codeshare flights:

1. What are Alaska codeshare flights?
 - a. Flights that are operated by another carrier but whose flight number begins with AS and has four digits. **As an example**, in the E-Travel online system, a flight with the Alaska Airlines name but with a four-digit flight number operated by ERA Aviation would be considered a codeshare flight.
2. Do Alaska codeshare flights count towards the market share when used in place of Alaska Air jet service?
 - a. Yes

3. Can codeshare pricing be compared to other airline pricing to show a fare cheaper than \$35.00 one-way or \$70.00 roundtrip?
 - a. Yes, as long as there is no Alaska Airlines jet service within a two-hour window. In that case, the fare would have to be compared between the Alaska Airlines jet service and the other carrier.
4. Are Alaska codeshare flights eligible for the percentage discount?
 - a. No

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